

[From Financial Times, Apr. 30, 2014]  
CHINA TO OVERTAKE US AS TOP ECONOMIC  
POWER THIS YEAR  
(By Chris Giles)

The US is on the brink of losing its status as the world's largest economy and is likely to slip behind China this year, sooner than widely expected, to the world's leading statistical agencies.

The US has been the global leader since overtaking the UK in 1872. Most economists previously thought China would pull ahead in 2019.

The data, compiled by the International Comparison Programme hosted by the World Bank, and to be released today, are the most authoritative estimates of what money can buy in different countries and are used by most public and private sector organisations, such as the International Monetary Fund. This is the first time they have been updated since 2005.

After extensive research on the prices of goods and services the ICP concluded that money goes further in poorer countries than previously thought, prompting it to increase the relative size of emerging market economies.

The estimates of the real cost of living, known as purchasing power parity, or PPPs, are recognised as the best way to compare the size of economies rather than using volatile exchange rates, which rarely reflect the true cost of goods and services: on this measure the IMF put US GDP in 2012 at \$16.2tn, and China's at \$8.2tn.

In 2005, the ICP thought that China's economy was less than half the size of the US, accounting for only 43 per cent of America's total. Using the new methodology—and reflecting the fact that China's economy has grown much more quickly—the research placed China's GDP at 87 per cent of the US in 2011.

For 2011, the report says: "The US remained the world's largest economy, but it was closely followed by China when measured using PPPs".

With the IMF expecting China's economy to have grown 24 per cent between 2011 and 2014 while the US is expected to expand only 7.6 per cent, China is likely to overtake the US this year.

The figures revolutionise the picture of the world's economic landscape, boosting the importance of large middle-income countries. India becomes the third-largest economy having previously been in 10th place. The size of its economy almost doubled from 19 per cent of the US in 2005 to 37 per cent in 2011.

Russia, Brazil, Indonesia and Mexico make the top 12 in the global table. In contrast, high costs and lower growth push the UK and Japan further behind the US than in the 2005 tables while Germany improved its relative position a little and Italy remained the same.

The findings will intensify arguments about control over global international organisations such as the World Bank and IMF, which are increasingly out of line with the balance of global economic power.

When looking at the actual consumption per head, the report found the new methodology together with faster growth in poor countries have "greatly reduced" the gap between rich and poor, "suggesting that the world has become more equal".

The world's rich countries still account for 50 per cent of global GDP while containing only 17 per cent of the world's population.

Having compared the cost of living in different countries, the report also found that the four most expensive countries to live in are: Switzerland, Norway, Bermuda and Australia, with the cheapest Egypt, Pakistan, Myanmar and Ethiopia.

RECOGNIZING DR. CHRISTOPHER  
"CHRIS" ARTERTON

**HON. ELEANOR HOLMES NORTON**

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 30, 2014*

Ms. NORTON. Mr. Speaker, I rise today to ask my colleagues in the House to join me in recognizing Dr. Christopher "Chris" Arterton, the Founding Dean of the nation's first school for professional politics, The George Washington University (GWU) Graduate School of Political Management who will be leaving his full-time post at GWU, but will remain on staff serving in a research capacity.

Dr. Arterton earned his B.A. from Trinity College, his M.A. from American University and his PhD from the Massachusetts Institute of Technology. Dr. Arterton is a distinguished author who has written several books on American politics and leadership. He is also a noted expert in political strategy and tactics, public opinion, and ethics and leadership in politics. His vision is to make democracy work where it is welcomed around the globe.

Prior to coming to GWU, Dr. Arterton was a professor at Yale University for 10 years, teaching in both the Political Science Department and the School of Organization and Management. Additionally, Dr. Arterton played an active role at The Institute of Politics at Harvard University's Kennedy School of Government, having served on five faculty study groups.

Dr. Arterton's research, his 20 years of teaching, and his considerable experience as a consultant on American public opinion make him an expert on the strategic environment of American political leaders, an area that encompasses the news media and communications technology generally and political strategy. Dr. Arterton continues to travel around the globe to teach about democracy.

Mr. Speaker, I ask my colleagues to join me in recognizing Dr. Christopher Arterton with heartfelt congratulations on a job well done for GWU and our country.

CITIZEN CONCERN ABOUT CON-  
GRESS PASSING A RESPONSIBLE  
BUDGET

**HON. JASON T. SMITH**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 30, 2014*

Mr. SMITH of Missouri. Mr. Speaker, I submit the following response to a letter from a concerned citizen.

DEAR MR. MCANULTY: Thank you for contacting me with your concerns about Congress passing a responsible budget. I appreciate the time you took to reach out to me on this important issue. In my first few days in Congress, I introduced H. J. Res. 49, which is an amendment to the U.S. Constitution that would require an annual balanced budget. I believe that the federal government, like families throughout Missouri, should only spend what it has.

On December 12, 2013 the House of Representatives voted on a budget compromise that set spending levels for the next two years. While I believe Congress must pass a budget, I ultimately could not support this

compromise plan that immediately raised new revenues without giving immediate attention to Washington's spending addiction and our massive national debt. We must start paying down our national debt.

Another reason I voted against the budget compromise were the changes made to veteran's benefits. Our men and women in uniform deserve unwavering support from every Member of Congress and all Americans. It is wrong to balance budgets on the backs of troops who voluntarily put themselves in harm's way so that we can all be free. The livelihood of our troops should not be negotiable.

While I appreciate the time and effort that went into crafting this budget deal, I could not support this plan because it immediately increases spending without immediately reducing the deficit. Simply put this agreement raises revenue and spends more money.

Again, I appreciate the time you have taken to reach out to me. Please do not hesitate to contact me should you have any additional questions or concerns. I am honored to have the opportunity to represent the Eighth Congressional District of Missouri and encourage you to visit my website at [www.jasonsmith.house.gov/contact/newsletter](http://www.jasonsmith.house.gov/contact/newsletter) to sign up for my e-newsletter and receive regular updates from Washington, DC.

HONORING KATHRYN MOIRA  
HAYES

**HON. MIKE THOMPSON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 30, 2014*

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize Kathryn Moira Hayes for her thirty years of service to the people of Sonoma County in both the public and private sector. Ms. Hayes has been an honorable and effective advocate for the community in which she lives, for Sonoma County's business community and for all those in need.

Ms. Hayes' leadership of the North Bay Board of Realtors (NORBAR) over the last sixteen years has grown the organization to serve over 3,000 members in Lake, Mendocino, Napa and Sonoma Counties. During her tenure, NORBAR has been known not only for a high degree of professionalism and dedication to its members, the industry and community, but also for promoting professional standards and ethics, and seeking to preserve property rights and services of importance.

Prior to joining the North Bay Association of Realtors, Kathy was a member of my district staff for six years, responsible for district and field activities in Sonoma and Mendocino counties. During her time on my staff, she was a tireless advocate for constituents. In particular, I commend her work on issues related to Leaking Underground Storage Tanks, which was critical to maintaining a healthy community in our district.

Ms. Hayes' catalog of community involvement and achievements is far too prolific to list here. She is a past President of the Santa Rosa Education Cooperative Board and past Chair of the Board for the Sonoma County Chapter of the American Red Cross, as well as a current member of the Board for Habitat for Humanity of Sonoma County. She has received numerous prestigious awards, including the George Escoffier Distinguished Board Service Award from the American Red Cross, the Sonoma County Spirit Award from the